



# SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

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## PROCEDURAL MEMORANDUM AD-15 (Revised)

**TO:** Division Heads

**FROM:** Director of Public Works

*NK 8/1/07*

**SUBJECT:** Development of Construction Contract Documents for Advertising, Bidding and Awarding of County Public Works Projects

### PURPOSE

To establish a procedure to be followed in leading to the advertisement, award and administration of all Public Works Department contracts in cooperation with the County Clerk's Office.

### PHASE I - Development of Project Documents Package

**A. PROJECT MANAGER shall:**

1. Be consulted and agree that the project conforms to its scope, schedule and budget and is ready to advertise.

**B. DESIGN ENGINEER shall:**

1. Review and check advertising document package for conformity; if the advertising package is not complete, no further processing shall be completed and the Project Manager shall be notified immediately.
2. Draft all contract documents produced by the Department and shall review and approve all contract documents prepared by Department consultants.
3. Submit final contract draft to County Counsel for review and signature.

4. Submit final contract, as approved and signed by County Counsel, to Public Works Director for signature.
5. Submit the entire advertising documents package to the County's Copy Center to be copied. Unless determined otherwise, 50 sets will be made.
6. Prepare a letter (board letter & cover) to the Board of Supervisors to present the proposed contract for approval and notice, and request that a bid opening date be set. The bid opening date shall be a minimum of 30 days after the Board's approving action.
7. Deliver the completed contract document package, including all Board required and signed transmittal letters, to the Supervising Administrative Clerk II no later than the two (2) weeks prior to the requested Board date; notify the Project Manager of the advertising/bid opening schedule.

**C. SUPERVISING ADMINISTRATIVE CLERK I shall:**

1. Use "original" contract to run 8 sets of title sheet, "Notice to Bidders" and "Proposal" (*usually approx. 11 pages total - stop copying just before Bidders Bond*). Attach one set to the County Clerk's copy of the contract and include this with the bid memo and agenda packet. Give the 6 remaining sets to the Administrative Assistant along with a copy of the board memo showing board date, bid opening date and Engineer's estimate (highlighted).
2. Distribute copies of contracts (write the bid date in all contracts on Notice to Bidders page A-2 or DB-3) as follows:
  - 1 - Is included with the agenda packet
  - 1 - County Counsel (email the contract name, # & bid date to PForan@co.slo.ca.us)
  - 1 - Project Manager (send)
  - 1 - Construction Engineer (send)
  - 1 - Soils Lab (send)
  - 1 - Road Maintenance Superintendent (send)
  - 1 - File copy (hold)
  - 1 - Resident Engineer (hold)
  - 1 - County Clerk (hold)
  - 1 - Contractor (hold)
  - 1 - State (*hold, confirm need, send if requested*)
3. Save file copy and Board cover letter per Department of Public Works standard archiving procedures.
4. Be responsible for the processing associated with contract addenda, see below.

**D. RECEPTIONIST shall:**

1. Hold the balance of the contracts at the front desk. At the time the Board of Supervisors approves and sets the bid opening date, the bid opening date shall be inserted in the "Notice to Bidders" section.
2. Prepare two sets of labels: one set with the Engineer's Estimate (placed in the center at the top of the contract), and one set with the Contract No., Date of Opening, and Time of Opening (placed in the lower left-hand corner of the contract). The contracts are now ready for sale.
3. Send appropriate copies to contractors' plan rooms as specified on list at reception desk.
4. Contractors coming to the office to buy contracts should be sent to the Finance Section cashier first to pay the required fee. Checks coming in by mail should also be sent through cashier.

IMPORTANT: For those individuals purchasing plans, keep a list of the names and addresses of these plan holders. This list may be needed in order to send addenda to those listed. Periodically, callers may request names of these interested parties and prospective bidders. The receptionist may provide the information from this list to those calling.

**E. PROCEDURE FOR ISSUING ADDENDA: (see attachment)**

1. Addenda will be initiated by either the Project Manager or the Design Engineer with approval of the Director; all individual project addenda will be numbered sequentially and shall be coordinated through the Administrative Support Section.
2. The Design Engineer shall have the addendum typed in the format as shown on Attachment A.
3. The Receptionist shall mail the addenda by an electronic facsimile to the plan holders with a return signed copy being required to be sent back as receipt of the delivery.
4. The Receptionist shall attach the addenda to all unsold contracts if the advertising period is still open.
5. The Supervising Administrative Clerk I will distribute the addenda to the original 9 who received contracts (refer to page 2).

## **Phase II - Bid Opening**

### **A. DESIGN ENGINEER shall:**

1. Represent the Public Works Department at the bid opening. After the bids have been opened, the County Clerk shall retain the bid bond, cashier's check or certified check accompanying the bids. The Design Engineer shall deliver the bid proposals back to the Finance Section for checking and entering into the computer based bid summary sheet.
2. Any errors or discrepancies found in a bid document submitted shall be annotated on the proposal and shall be resolved before proceeding to award; the Project Manager shall be notified of any such discrepancy.
3. Prepare a list of any sub-contractors listed in the successful bidders proposal and provide said list to the Receptionist. The Receptionist shall be informed if there were no sub-contractors listed.

### **B. FINANCE SECTION shall:**

1. Prepare a bid summary listing all contract items and engineer's estimate.
2. Complete the bid summary on receipt of all the bid proposals, showing the contract items as bid or, in the case of error, the corrected amount of bid. Give a copy to Supervising Administrative Clerk II.
3. Give Supervising Administrative Clerk I four copies of the successful bid proposal and bid bond. Copy all pages that are filled in by the Contractor: Proposal, and pages A-5 through A-12 including Bidder's Bond.
4. Return the successful bid (with original documents and envelopes), and the unsuccessful bids and their envelopes, along with a copy of the bid summary, to the County Clerk as soon as possible and no later than 24 hours after the bid opening.

**C. SUPERVISING ADMINISTRATIVE CLERK I shall:**

1. Have copies made of the bid summary as follows:

<u>Number of Copies</u>	<u>Sent to</u>
1	Copy to each Bidder (to be mailed by the administrative assistant)
1	Design Engineer
1	Construction Engineer
1	State (if requested)
9	Reception for mailing to plan rooms, etc.
1	Resident Engineer
1	File copy of contract

2. Insert the successful bid proposal and bid bond into the contracts being held (Public Works' copy, County Clerk's copy, Contractor's copy, Resident Engineer's copy, and Finance Section's copy - staple sheet to each page - receptionist can do this).

**D. RECEPTIONIST shall:**

1. Maintain a copy of the final bid summary list and sub-contractors list for public review and information.
2. Store unsold contracts for a period of not less than sixty calendar days after which said copies shall be sent to the Design Engineer.

**Phase III - Contract Awarding**

**A. DESIGN ENGINEER shall:**

1. Check funding with Project Manager and the Finance Section before scheduling the award of contract. The Finance Section reviews and writes fiscal portion of the Board of Supervisors memo to award the contract.
2. Verify that the contractor's license is valid and current before awarding contract.

3. Following a review of the bids by the Design Engineer, have a Board letter prepared recommending the awarding of the contract, to include contingency amounts, change order thresholds, and allowances for traffic control if required; also, a memorandum to the County Clerk containing an explanation of any errors or discrepancies in bid proposals.

**B. SUPERVISING ADMINISTRATIVE CLERK I shall:**

1. Process Board letter for the agenda. Attach copies of the letter to the contracts provided to the Resident Engineer and the Finance Section.
2. A Division of Apprenticeship Standards Form (DAS13) should be completed and forwarded to the Design Engineer for signature (V:Design-LGG-apprenticeship. Go to page DB 11 or A-8 for info in contract).

**C. DESIGN ENGINEER shall:**

1. Prepare, after approval of the award by the Board of Supervisors, a "Notice of Award" letter to the successful low bidder. The letter, along with the Clerk's and the Contractor's (and State's, if required) copies of the contract, shall be mailed by Certified Mail, Return Receipt Requested or hand delivered. Upon the return of the receipt, the Supervising Administrative Clerk I shall provide the delivery date and anticipated contract document return date to the Design Engineer and assigned Resident Engineer. Contractor shall be requested to sign the contract documents and to provide the Performance Bond, the Payment Bond, and Insurance Certificates, as required. Contractor has 15 days, not including Sundays and holidays, from receipt of award letter to mail bonds and signed contract back to the Department. Said letter shall instruct contractor to return the signed contracts to the Supervising Administrative Clerk I, who shall in turn, notify the Design Engineer of their return to the Department.
2. Upon receipt of the bonds, insurance forms and signed contracts, check the insurance and bonds for accuracy. If insurance and bonds are not in order, contact the Contractor to submit proper documents and inform the Project Manager and Resident Engineer.
3. Note expiration dates on insurance certificates to verify coverage through construction activity and notify the Resident Engineer of compliance.
4. Review submitted documents for DBE requirements, if required.
5. Return the reviewed contracts and bonds to Supervising Administrative Clerk I for processing.

**D. SUPERVISING ADMINISTRATIVE CLERK II shall:**

1. Make copies of all of the bonds and insurance documents submitted by the Contractor and staple them into the Department's copies of the contract. Fill in the appropriate blanks in the Agreement. *(Put originals in clerk's copy & put date of bid award & contractor's name on 1<sup>st</sup> page of agreement in all agreements).*
2. Deliver the signed contracts (Clerk's and Contractor's) to the Clerk's office *(put a post-it that reads Vicki/Katrina, please sign both contracts and call me to pick up ours. Thanks, Cherrie, Public Works, Ext. 2420)* who will stamp the signature of the Board of Supervisors Chairperson. The Clerk's copy of the contract remains there. Bring the Contractor's copy back.
3. Copy the contract signature page and staple the copy in the Department's 3 copies of the contract. Upon direction of the Design Engineer, a "Notice to Proceed" letter shall be mailed to the Contractor along with their executed copy of the contract. Send by Certified Mail Return Receipt Requested or it can be hand delivered. If hand delivered, the Contractor will need to sign and date at the bottom of the letter, said letter will then be returned to the Supervising Administrative Clerk I for filing with the project documents.
4. Send a copy of the "Notice to Proceed" to the Resident Engineer, along with his copy of the contract. When the return receipt is received, send a copy to the Resident Engineer so they will know when it was signed. If hand delivered, send a copy of the signed letter.
1. Send file copy of the contract to file clerk. If applicable, send State their copy.

**E. FINANCE SECTION shall:**

Prepare an original pay estimate form with contract items of prices as bid. Put the ORIGINAL estimate forms in our file copy of the contract. When requested, make copies for the resident engineers.

**F. PROJECT MANAGER shall:**

Have a Resident Engineer Pending File prepared for construction. If appropriate, include any necessary funding letters.

## **Phase IV - Construction**

### **A. RESIDENT ENGINEER shall:**

1. Upon receipt of the "Notice to Proceed" the Resident Engineer assumes the responsibility for the administration of the contract to its completion and final payment.
2. A news release and Resident Engineer's Report of Assignment will be made on the project. On Caltrans projects, the Construction Engineer will write a letter to Caltrans requesting that the Resident Engineer have the authority to approve work on contract change orders with prior approval, up to \$3,500.
3. The Resident Engineer will set up and keep current a set of contract records following the applicable procedures as outlined in the Department of Transportation Construction Manual.
4. Secure any equipment warranty certificates, equipment manuals and/or operations procedures for the Project Manager; coordinate warranty inspections, approval and acceptance of equipment with the Project Manager; coordinate equipment operational handoff with the Project Manager and responsible Division's maintenance personnel.
5. The minimum records that will be required on any contract are as follows:
  - a. Resident Engineer's Daily Report, Form CD 934, filled in daily with a copy going to the Construction Engineer and then to the contract file. Original to be kept with the Resident Engineer's records.
  - b. Assistant Resident Engineer's Daily Report of Equipment and Labor, Form CD 887, filled in daily with a copy going to the Construction Engineer and then to the contract file. The original form is to be kept with the Resident Engineer's records.
  - c. The Weekly Statement of Working Days, Form DC 714, filled in weekly with a copy to the Construction Engineer and the contract file and a copy to the contractor.
  - d. Financial Records, consisting of a minimum of one Contract Item Quantity Sheet for each contract item and additional sheets for each contract change order written; records shall be consistent with the provisions and requirements in the Construction Manual.
  - e. Project Record Estimates will be made out from the Resident Engineer's quantity calculation sheets for each pay period and filed in the Resident Engineer's records.



- f. Contract Change Orders shall be written, processed and approved as outlined in the Construction Manual.
  - g. Copies of Daily Extra Work Reports, complete with copies of invoices, will be submitted to Finance Section with the progress estimates. The Resident Engineer will verify hours and rates shown on the Daily Extra Work Reports before submitting and the original Daily Extra Work Reports will be filed with project records. The Finance Section will check the accuracy of DEWR's; if corrections are made, a corrected copy will be returned to the Resident Engineer.
  - h. When required, maintain all records associated with EEO/Labor Compliance Standards and DBE compliance documents.
  - i. Job site safety records.
- 6. Use the 20th day of each month for progress payments. The Resident Engineer will prepare all received records needed for the pay estimate and forward to the same to the contract accountant by the end of the third working day following the 20th.
  - 7. At the completion of the project, the Resident Engineer, acting as the representative of the Public Works Director, will perform the final inspection and acceptance. The Resident Engineer will then notify the Supervising Administrative Clerk II and the Construction Engineer to prepare the Notice of Completion and Acceptance for the Board of Supervisors' approval. The Resident Engineer shall also provide the Finance Section with the estimated total cost of construction.
  - 8. Forward to the Contractor three copies of the Statement of Final Quantities and the Proposed Final Estimate for approval when all of the following work is completed: the Notice of Completion and Acceptance has been turned in; Weekly Statement of Working days has been completed; all contract items and extra work has been checked, posted and balanced; deductions determined and posted; liquidated damages and adjustment of compensation determined and posted.
  - 9. Begin the processing of the Final Estimate when the Statement of Final Quantities has been approved by the Contractor.
  - 10. Produce "As-Constructed" plans for the project and shall deliver said plans to the Director of Public Works within 6 months of the filing of the Notice of Completion.

**B. SUPERVISING ADMINISTRATIVE CLERK I shall:**

1. Prepare, upon the request of the Resident Engineer, a Notice of Completion and Acceptance and Resolution for presentation to the Board of Supervisors. A copy of the agenda material shall be sent to the Finance Section contract accountant.
2. Upon receipt of the recording date of the Notice of Completion, give the Finance Section a copy of the recorded documents and place a copy in the project file.

**C. RESIDENT ENGINEER shall:**

1. Complete the Final Report, including the project's final financial data from Finance Section, and send it to the Administrative Support Section. A typed draft is returned to the Resident Engineer for review. After reviewing the report, the Resident Engineer returns the draft and attachments for final preparation, signature and filing.
2. Convene a "Final Project Review" meeting to include the Project Manager, Design Engineer, Resident Engineer, and Financial Section Manager; said meeting shall be held within 30 days of the completion of the Final Report.
3. Have fulfilled their responsibility on the project when the Final Report is completed and the "Record Drawings" plans are submitted to the Director; said plans shall be submitted to the Director within 6 months of the completion of the Final Report.

**D. SUPERVISING ADMINISTRATIVE CLERK I shall:**

After Final Report has been completed, send original, with cover letter, to the County Clerk. File a copy in the contract file. Contract file may now be sent to closed files at the Operational Center, if not needed for Audit (check with Finance Section regarding this). "Record Drawings" plans shall be returned to the Design Engineer for filing and storage.

ATTACHMENT A

Example of Addenda Format

(Date)

**FAX ONLY &  
ATTACH TO CONTRACT**

ADDENDUM NO. 1 TO

**[TITLE OF CONTRACT]**

CONTRACT NO.

Although a specification for erosion control is included in the special provisions, no erosion control measures are to be included in this contract.

Survey monument wells shall conform to the attached drawing.

All bidders, shall acknowledge acceptance of this correction notice, **PLEASE FAX TO US, TODAY, A SIGNED COPY OF THIS SHEET INDICATING CONFIRMATION OF RECEIPT OF THIS ADDENDUM (FAX (805)781-1229)**. If you are unable to read the fax, please call George Gibson in the Public Works Department at (805)781-4469.

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NOEL KING  
Public Works Director

File: Contract No.

**ACKNOWLEDGMENT**

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Company Name      Printed Name      Signature      Date